MINUTES OF THE JUNE 25, 2019 MEETING OF THE
ROOSEVELT ISLAND OPERATING CORPORATION BOARD OF DIRECTORS

A meeting of the Board of Directors was held at the Cultural Center Theater, 548 Main Street, Roosevelt Island, New York, on June 25, 2019 at 5:35 p.m.1

Directors Present:
Alejandro J. Valella Representing RuthAnne Visnauskas, RIOC Chair and Commissioner, the New York State Division of Housing and Community Renewal
Monique Reeser Representing Robert F. Mujica, Director, the State of New York Division of Budget
ConwayEkpo Director
Jeffrey Escobar Director
David Kapell Director
David Kraut Director
Howard Polivy Director

Directors Absent:
Michael Shinozaki Director

Officers and Staff Attending:
Susan G. Rosenthal President/Chief Executive Officer
Shelton J. Haynes Vice President/Chief Operations Officer
John O’Reilly Vice President/Chief Financial Officer
Jonna Carmona-Graf Assistant Vice President/Capital Planning & Projects
Arthur G. Eliav Associate General Counsel
Muneshwar Jagdharry Comptroller
Terrence McCauley Public Information Officer
Lada Stasko Assistant General Counsel

Other Participants:
Barbara B. Brown Partner, Carter Ledyard & Milburn LLP
Patrick E. Ijiogbe Design/Construction Manager, Recovery & Resiliency Program, MTA
Douglas Zimmerman Partner, EFPR Group, CPAs, PLLC

1 The RIOC Board Meeting commenced following a public comment period. The public comment period was not part of the meeting.
Chair’s Designee Mr. Valella called the Board meeting to order at 5:35 p.m. The roll was called and a quorum found to be assembled and present.

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APPROVAL OF MINUTES

The first item of business was the approval of the minutes of the May 9, 2019 meeting of the RIOC Board of Directors. The proposed draft of the May 9, 2019 Board meeting minutes had been previously distributed to all Board members for their consideration.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Valella, Ms. Reeser, Mr. Ekpo, Mr. Kraut and Mr. Polivy), and two abstentions (Mr. Escobar and Mr. Kapell), the minutes were APPROVED and ordered filed.

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NEW BUSINESS ITEM #1

The first item of new business was the authorization of Seventh Amendment to Manhattan Park Lease.

Ms. Barbara Brown, Partner at Carter Ledyard & Milburn LLP, discussed the need for the Seventh Amendment to the Manhattan Park Lease. Ms. Brown explained the proposed revisions to the rent re-set provisions for the “Third Period” of the lease to begin in the year 2028. She stated that the rate of return was the subject of a lot of negotiations between the parties. The appraisal submitted by Tenant suggested a rate of return between 1.5% and 2%, leading Tenant to request a 1.75% rate of return during the course of negotiations. The 2.75% rate of return ultimately agreed upon was at the higher end of the range suggested by RIOC’s real estate consultants, and took into account the fact that, while the appraised value included both the land and buildings, the buildings were constructed and maintained by Tenant, not RIOC.

Upon a motion duly made, seconded and carried by six votes in favor (Mr. Valella, Ms. Reeser, Mr. Ekpo, Mr. Kapell, Mr. Kraut and Mr. Polivy), and one abstention (Mr. Escobar), the following resolution was ADOPTED:

RESOLUTION

AUTHORIZATION OF SEVENTH AMENDMENT TO MANHATTAN PARK LEASE

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:

Section 1. that the Seventh Amendment to the Manhattan Park Lease, upon such terms and conditions substantially similar to those outlined in the Memorandum from Susan G. Rosenthal to Board of Directors dated May 20, 2019, attached hereto, is hereby authorized;
Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as she deems necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS ITEM #2

The second item of new business was the authorization of First Amendment to Sublease with the New York City Transit Authority for Use of Strecker Lab.

Assistant Vice President of Capital Planning and Projects Jonna Carmona-Graf requested this item be discussed at the end of the agenda.

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NEW BUSINESS ITEM #3

The third item of new business was the presentation of RIOC's Audited Financial Statements for Fiscal Year Ending March 31, 2019.

RIOC Comptroller Muneshwar Jagdharry introduced to the Board Douglas Zimmerman, Partner with EFPR Group, CPAs, PLLC, RIOC’s external auditors.

Mr. Zimmerman presented a summary of the auditors’ report to the Board. He explained that after reviewing RIOC's financial statements, all the determinations ended with clean opinions and RIOC was compliant with all the required government accounting standards. He further noted it was a pleasure to work with RIOC’s staff.

Director Polivy stated that the Audit Committee reviewed RIOC’s Audited Financial Statements for FY 2018-19 on June 18, 2019. Mr. Polivy noted that all questions posed by the Audit Committee regarding this report were answered to the Committee’s satisfaction. Mr. Polivy stated that the Audited Financial Statements would be posted on the RIOC website and PARIS reporting system.

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NEW BUSINESS ITEM #4

The fourth item of new business was the approval of Annual Report for Fiscal Year Ending March 31, 2019.

Mr. Jagdharry stated that the Annual Report is being presented to the Board pursuant to Section 2800 of the Public Authorities Law. He briefly went over the details of the Annual Report for fiscal year ending March 31, 2019 and listed some of the major accomplishments of the Corporation. Mr. Jagdharry recommended the report for Board approval.
Mr. Polivy noted that this item was reviewed by the Audit Committee on June 18, 2019.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Valella, Ms. Reeser, Mr. Kraut, Mr. Polivy and Mr. Kapell), and two abstentions (Mr. Escobar and Mr. Ekpo), the following resolution was ADOPTED:

RESOLUTION

APPROVAL OF ANNUAL REPORT
FOR FISCAL YEAR ENDING MARCH 31, 2019

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:

Section 1. that the Annual Report for fiscal year ending March 31, 2019, annexed hereto, is hereby approved and may be submitted to the Governor, the chairman and ranking minority member of the Senate Finance Committee, the chairman and ranking minority member of the Assembly Ways and Means Committee, the State Comptroller, the Authorities Budget Office, and any other governmental entity as required by law;

Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS ITEM #5

The fifth item of new business was the approval of Report on Procurement Contracts for Fiscal Year Ending March 31, 2019.

Mr. Jagdharry stated that the Board had reviewed the Report on Procurement Contracts before as quarterly procurement reports. He noted that the Report on Procurement Contracts was discussed at the Audit Committee meeting and recommended its approval by the Board.

Mr. Polivy noted that the Audit Committee reviewed all of their reports required by the Public Authorities Law on June 18, 2019.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Valella, Ms. Reeser, Mr. Kapell, Mr. Kraut, and Mr. Polivy), and two abstentions (Mr. Escobar and Mr. Ekpo), the following resolution was ADOPTED:
RESOLUTION

APPROVAL OF REPORT ON PROCUREMENT
CONTRACTS FOR FISCAL YEAR ENDING MARCH 31, 2019

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:

Section 1. that the report of procurement contracts for fiscal year ending March 31, 2019 (the “Procurement Contract Report”) and the Guidelines Regarding the Use, Awarding, Monitoring and Reporting of Procurement Contracts, annexed hereto, are hereby approved, and the Procurement Contract Report may be submitted to the Division of the Budget, the Department of Audit and Control, the Senate Finance Committee, the Assembly Ways and Means Committee, and the Department of Economic Development, and any other governmental entity as required by law;

Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS ITEM #6

The sixth item of new business was the approval of Report on Investments for Fiscal Year Ending March 31, 2019.

Mr. Jagdharry noted that the report is being presented for Board approval per Section 2925 of the Public Authorities Law. He stated that the report assesses the Corporation’s compliance with the law and its investment guidelines. Mr. Jagdharry stated that RIOC’s auditors found the Corporation to comply with those requirements. He recommended the Report for Board approval.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Valella, Ms. Reeser, Mr. Kapell, Mr. Kraut, and Mr. Polivy), and two abstentions (Mr. Escobar and Mr. Ekpo), the following resolution was ADOPTED:

RESOLUTION

APPROVAL OF REPORT ON INVESTMENTS
FOR FISCAL YEAR ENDING MARCH 31, 2019

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:
That the report of the corporation’s investments for fiscal year ending March 31, 2019 (the “Investment Report”), and the Investment Guidelines, annexed hereto, are hereby approved, and the Investment Report may be submitted to the NYS Division of the Budget, the Department of Audit and Control, the Senate Finance Committee and Assembly Ways and Means Committee, and any other governmental entity as required by law;

Section 2. That the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing;

Section 3. That this resolution shall take effect immediately.

NEW BUSINESS #7

The seventh item of new business was the approval of Property Report for Fiscal Year Ending March 31, 2019.

Mr. Jagdharry stated that were two dispositions of property for the reported period. He noted that the Lease for Southtown Building 8 was executed, and the Ground Lease for Westview was extended. He recommended the Report for Board approval.

Upon a motion duly made, seconded and carried by five votes in favor (Mr. Valella, Ms. Reeser, Mr. Kapell, Mr. Kraut, and Mr. Polivy), and two abstentions (Mr. Escobar and Mr. Ekpo), the following resolution was ADOPTED:

RESOLUTION

APPROVAL OF PROPERTY REPORT FOR FISCAL YEAR ENDING MARCH 31, 2019

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:

Section 1. That the Property Report for fiscal year ending March 31, 2019, and the Guidelines Regarding Acquisition and Disposal of Property, annexed hereto, are hereby approved and may be furnished to the State Comptroller, the Director of the Budget, the Commissioner of General Services, the Majority Leader of the Senate, the Speaker of the Assembly, the Authorities Budget Office, and any other governmental entity as required by law;

Section 2. That the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing;
NEW BUSINESS #8

The eighth item of new business was the authorization of Expenditure of the Public Purpose Funds for Fiscal Year 2019-20.

Mr. O’Reilly, RIOC’s Chief Financial Officer, requested the Board’s approval of the grants, as recommended by Roosevelt Island Resident’s Association (RIRA).

Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Valella, Ms. Reeser, Mr. Ekpo, Mr. Escobar, Mr. Kapell, Mr. Kraut, and Mr. Polivy), the following resolution was ADOPTED:

RESOLUTION

AUTHORIZATION OF EXPENDITURE OF PUBLIC PURPOSE FUNDS
FOR FISCAL YEAR 2019-20

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York, as follows:

Section 1. that the expenditure of Public Purpose Funds for Fiscal Year 2019-20, upon such terms and conditions substantially similar to those outlined in the Memorandum from Muneshwar Jagdharry to Susan G. Rosenthal/ RIOC Board of Directors dated June 18, 2019, attached hereto, is hereby authorized;

Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as she deems necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS #9

The ninth item of new business was the authorization to enter into contract with Sea Crest Construction (“Sea Crest”), for Octagon Comfort Station & Site Work.

Assistant Vice President of Capital Planning and Projects Jonna Carmona-Graf noted that four firms responded to the RFP and two of these firms were interviewed. Sea Crest had the highest rated proposal and satisfactorily completed previous work on the Island. In response to Mr. Escobar’s question, Ms. Carmona-Graf explained that the contract had been repackaged so that
phases 1 and 2 will be independent of each other. Ms. Carmona-Graf recommended the contract with Sea Crest for Octagon Comfort Station & Site Work for Board approval.

Upon a motion duly made, seconded and carried by six votes in favor (Mr. Valella, Ms. Reeser, Mr. Escobar, Mr. Kapell, Mr. Kraut and Mr. Polivy), and one abstention (Mr. Ekpo), the following resolution was ADOPTED:

**RESOLUTION**

AUTHORIZATION TO ENTER INTO CONTRACT WITH SEA CREST CONSTRUCTION CORP. FOR OCTAGON COMFORT STATION & SITE WORK

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

Section 1. that RIOC is hereby authorized to enter into contract with Sea Crest Construction Corp. for Octagon Comfort Station and Site work, upon such terms and conditions substantially similar to those outlined in the Memorandum from Jonna Carmona-Graf to RIOC Board of Directors/Susan G. Rosenthal dated June 25, 2019, attached hereto;

Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as she deems necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS #10

The tenth item of new business was the authorization to enter into contract with Apple Restoration & Waterproofing, Inc. (“Apple Restoration”), for the Blackwell House Exterior Repairs Project.

Ms. Carmona-Graf explained the nature of the work that needs to be completed. She briefly discussed the procurement process noting that Apple Restoration had received the highest score and was the lowest-cost bidder. Ms. Carmona-Graf further emphasized that Apple Restoration has extensive experience working on landmark structures throughout the City. In response to a question from Mr. Valella, Ms. Carmona-Graf explained that the fee component was given a relatively low priority to ensure that a highly-qualified contractor was working on this landmark structure. She further noted that the work is expected to be completed in three months.

Upon a motion duly made, seconded and carried by six votes in favor (Mr. Valella, Ms. Reeser, Mr. Escobar, Mr. Kapell, Mr. Kraut and Mr. Polivy), and one abstention (Mr. Ekpo), the following resolution was ADOPTED:
RESOLUTION

AUTHORIZATION TO ENTER INTO CONTRACT WITH APPLE RESTORATION & WATERPROOFING, INC. FOR BLACKWELL HOUSE EXTERIOR REPAIRS PROJECT

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

Section 1. that RIOC is hereby authorized to enter into contract with Apple Restoration & Waterproofing, Inc. for Blackwell House exterior repairs project, upon such terms and conditions substantially similar to those outlined in the Memorandum from Jonna Carmona-Graf to Susan G. Rosenthal/Board of Directors dated June 20, 2019, attached hereto;

Section 2. that the President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such instruments as she deems necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

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NEW BUSINESS #2

The second item of new business was the authorization of the First Amendment to Sublease with the New York City Transit Authority for use of Strecker Lab.

Ms. Carmona-Graf briefly explained the nature of the Amendment to Sublease for the use of Strecker Lab for flood mitigation improvements.

Mr. Patrick E. Ijiogbe, Design/Construction Manager of the Recovery & Resiliency Program at the MTA, explained in detail the MTA New York City Transit (“NYCT”) plans to construct platforms and place emergency generators that will provide an additional source of power during a Category 2 storm. He noted that the generator housing facility would create an above-ground addition that measures approximately 716.92 square feet. NYCT also plans to plant trees as landscaping buffers near the generator housing.

In response to inquiries and concerns voiced by several Board Members, Mr. Vallela stated that the structural design should be brought back to the Board for approval.

Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Valella, Ms. Reeser, Mr. Ekpo, Mr. Escobar, Mr. Kapell, Mr. Kraut, and Mr. Polivy), the following resolution was ADOPTED:
RESOLUTION

AUTHORIZATION OF FIRST AMENDMENT TO SUBLEASE WITH
THE NEW YORK CITY TRANSIT AUTHORITY FOR USE OF STRECKER LAB

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State
of New York, as follows:

Section 1. that the First Amendment to the Sublease with the New York City Transit
Authority for Use of Strecker Lab, upon such terms and conditions
substantially similar to those outlined in the Memorandum from Jonna
Carmona-Graf to Susan G. Rosenthal/Board of Directors dated June 21,
2019, attached hereto, is hereby authorized;

Section 2. that the President/Chief Executive Officer or her designee is hereby
authorized to take such actions and execute such instruments as she deems
necessary to effectuate the foregoing; and

Section 3. that this resolution shall take effect immediately.

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PRESIDENT’S REPORT

Ms. Rosenthal welcomed three new Board Members: Messrs. Conway Ekpo, Jeffrey
Escobar and David Kapell. She noted that the new Board Members, were confirmed by the New
York State Senate only days before the Board meeting; therefore, the new Board Members had
very little time to review the meeting materials. Ms. Rosenthal assured the new Board Members
that going forward they will receive materials with more advance notice. Ms. Rosenthal noted that
there is still one more vacancy on the Board. She emphasized that several attempts were made to
get a recommendation from the New York City Mayor’s Office, which is what the vacant position
requires. However, to date these attempts have not been successful.

Ms. Rosenthal then provided updates on RIOC’s current projects. Regarding the Motorgate
construction project, Ms. Rosenthal noted that the contractor has mobilized on site installing,
fencing, safety mesh, temporary power, water blasting of the expansion joints and other removals.
LiRo is acting as project manager, and their staff are OSHA certified. Ms. Rosenthal further noted
that the electric vehicle stations report is due from the consultant by the end of the week.

Ms. Rosenthal noted the Hope Memorial sculpture agreement between RIOC and NYC
was submitted to NYC Comptroller for approval. She further noted that the construction RFP will
be issued in July.

Ms. Rosenthal noted that the Octagon Soccer Field contract work is on schedule. The
contractor is currently working on drainage improvements, and the synthetic turf carpet is being
fabricated. The goal is to start work in July on the next phase.
Regarding the Seawall Railings Project, Ms. Rosenthal noted that the contractor has approximately 125 panels remaining to be installed. All railings are scheduled to be installed by mid-July and all work completed by Labor Day.

Ms. Rosenthal noted that The Blackwell Island Exhibition installation should be complete later this week. The FDNY inspection of the fire alarm is scheduled for July 23, 2019. The last phase of work, including the roof and cornice repair, as well as repainting of the outside of the house, which was approved tonight, should take eight weeks to complete.

Ms. Rosenthal also announced that this will be John “Jack” McManus’s last week as Director of Public Safety Department, and Kevin Brown will be the Acting Director for now. In that regard, Ms. Rosenthal further noted that on July 25, 2019, RIOC will be hosting ‘The Public Safety Department and Us: A Community Celebration of Cooperation and Respect’ to honor Jack McManus’s efforts in improving relations between the community and the Public Safety Department.

Ms. Rosenthal then provided updates on the Island events. She noted that RIOC worked with NYCEM, NYPD, FDNY and other governmental organizations to make the Figment Event a success. The event drew over 6,700 people who enjoyed interactive art installations throughout the Island. Ms. Rosenthal noted that Roosevelt Island Day proved to be another great event where the community was able to enjoy lots of food and rides. Also, this past Friday, RIOC kicked off the Summer Movie Series, which drew well over 300 people. Ms. Rosenthal thanked the volunteers, community groups, RIOC staff members, and Public Safety Department for their dedication to making these events such a success.

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COMMITTEE REPORTS

AUDIT COMMITTEE

The Audit Committee met on June 18, 2019 to discuss all the fiscal items approved by the Board at this meeting.

GOVERNANCE COMMITTEE

The Governance Committee did not meet.

OPERATIONS ADVISORY COMMITTEE

The Operations Advisory Committee met on June 20, 2019 to discuss to discuss the items that were approved by the Board at this meeting.
The Real Estate Development Advisory Committee did not meet.

PUBLIC SAFETY REPORT

Chair’s Designee Mr. Valella noted that the Public Safety Report was included in the Board package.

Upon a motion duly made, seconded and carried by unanimous vote in favor (Mr. Valella, Ms. Reeser, Mr. Ekpo, Mr. Escobar, Mr. Kapell, Mr. Kraut, and Mr. Polivy), the meeting was adjourned at 7:10 p.m.

Susan G. Rosenthal, President/CEO